5/S

SAN FRANCISCO
PUBLIC LIBRARY

REFERENCE BOOK

Not to be taken from the Library

DOCUMENTS DEPARTMENT

FEB - 8 1983

SAN FRANCISCO PUBLIC LIBRARY

3 1223 90024 5615

C

Digitized by the Internet Archive
in 2014

https://archive.org/details/preliminaryrepor1956sanf

PRELIMINARY REPORT

on

PLAN FOR FUTURE DEVELOPMENT

of

S A N F R A N C I S C O I N T E R N A T I O N A L A I R P O R T

by

The PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

June, 1956

DOCUMENTS DEPT.
SAN FRANCISCO
PUBLIC LIBRARY

Ref
629.292
P915

S. F. PUBLIC LIBRARY

82-78

San Francisco, Calif.
Call-Bulletin
(Cir. 138,319)

Airport Making Money, Needs More

There's good news and bad for the taxpayers today.

The San Francisco International Airport is busting its buttons.

It is achieving success in the form of customers way ahead of schedule. But it is going to need more money to keep up.

Airport Manager Frederic B. Butler told the Public Utilities Commission yesterday that last weekend's traffic at the airport was the heaviest in history. Present rates are four or five years ahead of schedule.

Butler said the 12,000 persons either boarded or debarked from planes and that as many more came to see them or just to visit the fancy terminal.

He reported the Interstate Company, which operates the eateries and bars in the building, is doing a $1,000 a day handle.

Parking business is so good, Butler reported, that it may be necessary to charge more for spaces closest to the terminal.

Interstate needs more space, he said. And the open air patios are going to be roofed over to provide more space for waiting rooms.

All this sounds good—the bad news for the property owners comes in the report that the airport could use another $22,000,000 or so in a bond issue. Next November would be a good time.

San Francisco, Calif.
Chronicle
(Cir. D. 162,073 - S. 257,592)

S. F.'s Future Needs

Airport Crowds Over Capacity

San Francisco's new airport terminal is already handling more passengers than it was built to care for, Frederic B. Butler, the airport manager, told the San Francisco squadron of the Air Force Association yesterday.

By 1960, he added, there will be 6,000,000 passengers a year — twice the number the two-year-old terminal was built to handle — moving through the airport.

He termed the airport "crowded" but not "congested" at the moment, but warned that "the danger signals are flying and something must be done."

Right now, he said, the airport desperately needs an additional concourse, more counter space and escalators.

In the near future, he added, a $10,000,000 cargo area will be needed, two runways will have to be lengthened to 10,000 feet and other improvements will have to be made.

The airport staff has suggested a $34,000,000 bond issue to make these improvements and to prepare the airport to participate fully in the jet age.

In the more remote future, he declared, it may even be necessary to build an entirely new and separate airport to handle cargo flights.

San Francisco, Calif.
Examiner
(Cir. D. 224,128 - S. 518,017)

Paying As We Go

IN VIEW OF THE FACT that the citizens of San Francisco probably will be called upon this November to vote on bond issues for schools and the airport, we thought a look at the city's bonded debt position might be worth while. What we found looks good. Very good.

The city's bonded debt limit, meaning the amount it can legally borrow, is currently $245,500,000. The city has outstanding only $115,500,000 in bonds subject to that limit. In other words more than half of its bonding capacity is unused.

Moreover the debt is being paid off at the rate of $16,000,000 a year. Counting bonds outstanding and bonds yet to be sold (for example, the new $19,475,000 Hall of Justice bond issue) the city would be completely free of debt by 1971 if no more bonds were voted.

San Francisco, in short, is substantially paying as it goes. It is not saddling the next generation with debt.

Nor is it placing on the property owner an inordinate share of the debt retirement. This year, of that $16,000,000 going to retire bond principal and another $4,000,000 for bond interest, only $3,682,000 comes from the property taxpayer. The remainder is from the half cent sales and use tax and other revenues.

DETAILS OF THE proposed school and airport bond issues have not yet been laid before the public. It is too early to offer a judgment on them.

It is not too early, however, to suggest that city officials inquire into the $59,700,000 airport bond issue approved in Los Angeles June 5 by a 6 to 1 vote of the people. There a conservative study was made projecting airport income forward to 1970, and demonstrating the income will more than pay for the bonds.

Here the utilities commission has projected income and costs forward to 1960-61. This limited study indicates that in the year 1960-61 the airport will earn a surplus of $1,093,000, before depreciation, to apply on capital improvements. The figures are reasonable in the light of the fact the airport's net income has quadrupled in four years.

We would like to see a disinterested study similar to that in Los Angeles, carrying the prediction forward to 1970, before the new bond issue is put on the ballot. If such a study showed the future bond issue would be self-liquidating or nearly so, the voters would look on it with much more favor.

San Francisco, Calif.
News
(Cir. 109,182)

Airport Can't Take Crowd

International Airport facilities are becoming inadequate for rapidly growing crowds there, Manager Frederic B. Butler reported to the city PUC yesterday.

Daily crowds of 25,000 jammed International Airport last Thursday, Friday, Saturday and Sunday, biggest since 30,000 attended dedication ceremonies two years ago, Butler reported.

500 More a Day

"Since the Military Air Transport Service made San Francisco its West Coast base recently, bringing 500 more passengers a day, we have been handling about 12,000 passengers daily," he said.

"Visitors more than double that figure," Butler added.

The restaurant, grossing $1000 a day more than it did a year ago, needs room for expansion, he said.

The city engineer's office is working on expansion plans, he said, and should be able to report soon on funds needed for the work. The money would be raised by a bond issue.

Helicopter Need

Commissioner Daniel Del Carlo observed that the airport's growth pointed to the need of helicopter service to and from the city.

A committee to investigate helicopter landing sites was named yesterday by the Chamber of Commerce. Headed by L. W. Brillhart of PG&E, the group will study sites at the Embarcadero, in Marina Park, at Crissey Field in the Presidio and on flat-topped garages in the South of Market Area.

EASE THE SQUEEZE!

By Mike Parks

Preliminary Report on Plan for Future Development of

S A N F R A N C I S C O I N T E R N A T I O N A L A I R P O R T

by the PUBLIC UTILITIES COMMISSION, City and County of San Francisco

TABLE OF CONTENTS

PREFACE

In 1949, City and Airline Officials estimated that passenger traffic through San Francisco International Airport might conceivably reach a rate of three million per year by 1960. It is a fact that over three million passengers passed through the Terminal Building in 1955! At present rates of growth, passenger air traffic in and out of San Francisco will be in the vicinity of five and a half million by 1960, or nearly double what was predicted seven years ago.

Recently, the president of one of the world's largest airlines stated that passenger traffic on existing routes of his company is expected to increase over fifty per cent within the next five years. Other airline executives view this as a conservative estimate.

This represents just a fraction of the air traffic that can be expected to pass through San Francisco's aerial gateway to the world. Little has been said about cargo, mail, or military traffic through these facilities; however, it should be noted that these too will increase proportionately. These are just the traffic problems facing San Francisco--there are many others.

SAN FRANCISCO HAS HEAD START

With its beautiful passenger terminal building, generous runways, unimpaired approaches, and related facilities, San Francisco has a head start over most of the major cities of the nation. It is while we are ahead that we must keep building. Our neighbor city to the South recently passed a $59,700,000 airport bond issue by a margin of better than six to one. In one of Los Angeles' fact-presenting brochures urging passage of that bond issue, the following statement appears: "Either Los Angeles or San Francisco will be the global air terminal of the West Coast--Today San Francisco has better airport facilities."

It is important that we maintain this acknowledged head start. It is vital for many reasons.

PAYROLLS AND INDUSTRY

Over 11,000 people are currently earning their living at San Francisco International Airport. These payrolls amount to some $55,000,000 annually. Other aviation industries will want to open plants and offices here when areas are developed to receive them. This means bringing existing land up to grade in some instances, and actual reclaiming operations in other areas. Development of this land will result in improved air service and greater payrolls.

LAND MUST BE DEVELOPED

Substantial areas of the Airport owned by the City are under the waters of San Francisco Bay. This and other undeveloped land can be made valuable for the extension of aircraft operating areas and related aviation activities. The potential users of this land are primarily the Domestic and

International Air Carriers rendering services throughout the world. A major reclamation project is vital. This obligation belongs to the City. Reclaiming land is expensive--this is an undeniable fact--but it is another revenue-producing investment in the future of the City and County of San Francisco and in the fastest growing business in the world, the aviation industry! It must be done if San Francisco is to keep pace with aviation. The areas to be developed are shown and explained in this report.

LARGER AIRPLANES COMING

At present, the largest commercial airplane carries about 85 passengers. Assuming that all these passengers arrive at the Terminal Building in ample time for their departure, they may be checked in within half an hour under favorable conditions. Aircraft now on order by all major carriers will carry 150 passengers. Where are these passengers to be checked in if present passenger facilities are not further developed?

It must be remembered that San Francisco, being located on the edge of a continent, handles a large portion of its daily traffic load during the morning and evening hours. This means that not one but several 150-passenger flights and others will be loading and unloading simultaneously. What gate-house provisions will be made to handle this human cargo of the jet liners of the very near future?

The airplanes themselves will obviously be greater in size than the largest existing transport in commercial service. This will immediately require additional loading position areas. It must also be borne in mind that ultimately aircraft operating from here will not only be larger, but double in actual number.

The answers to the questions posed here are obvious--either we expand our facilities and keep abreast with the future of aviation, or we remain as we are and fail in our obligation to the people of San Francisco and the aviation industry.

HELIPORTS

Not only must the Airport be enlarged and further developed, but the time is past due when San Francisco, like other major cities, must establish a system of heliports connecting San Francisco with important adjacent communities and the Airport. This has successfully been done in Los Angeles, Chicago, and New York. There is a growing need for this type of local service for which we will require the support not only of our own community but also that of our immediate neighbors.

SOUND INVESTMENT

Over two billion dollars is being spent to purchase new airline equipment now on order by the nation's largest air carriers. This investment is backed by several of America's most conservative businessmen, thereby showing their faith in the future of this country's commercial aviation industry.

AIR DOLLAR BUYS MORE

As the years progress, the air travel dollar continues to buy more and more. Recent months have seen the introduction of tourist and coach fares at reduced rates. In the months to come, other money-saving innovations can be expected to be developed, thus further increasing the volume of air passenger traffic.

CIVIL AERONAUTICS BOARD

The vast backlog of current route applications pending before the Civil Aeronautics Board, and the many requests for route re-shuffling, plus the ever-growing competition between airlines, testify still further to the tremendous future of commercial aviation.

CHALLENGING AIR AGE

The following pages contain an explanation of how the Airport Department of the Public Utilities Commission intends to develop our aviation facilities in accordance with the best interests of the Greater Bay Area and the City and County of San Francisco. Also appended are traffic projections, income and operating cost projections and a tentative bond schedule. San Francisco and other major metropolitan centers are entering a challenging air age. If we are to realize the tremendous benefits of aviation, our facilities must be expanded to a degree that will make San Francisco a focal point for global air transportation. The new aviation concepts, including jet and helicopter services, must be recognized if San Francisco is to maintain its head start in the new air era!

COST TO SAN FRANCISCO TAXPAYERS

Projected airport earnings derived from airlines, industrial users of airport space, and concessionaires indicate that revenues from 1957 through 1972 will not only pay all operating costs including bond interest and bond retirement, but will show a profit to the taxpayers of more than thirteen and one-half million dollars. It is anticipated that ten million passengers will utilize the facilities annually by 1972. The tentative financial program indicates a moderate deficit due to the [redacted] requirements on both existing and proposed bond issues during the first three years following the sale of the proposed bonds. By 1961-1962, however, the accumulated deficit will be offset by profits and the net profit to taxpayers above mentioned will commence to be realized.

Basis for this estimate includes the following figures:

To patron:

A REPRESENTATIVE BOND PROGRAM

SAN FRANCISCO INTERNATIONAL AIRPORT

1956

Under the Charter of the City and County of San Francisco, the Board of Supervisors legislates on bond sale programs. The Controller is the fiscal advisor to the Board. However, without attempting to infringe on these prerogatives, but in order to demonstrate that the Airport is capable of carrying its own capital financing without overall tax support, a bond financing schedule is presented below by way of illustration.

Fiscal Year Ending June 30	Annual Requirement for Bond Interest and Serial Retirement*	Annual Amount of Revenue over Direct Expense	Surplus (Deficit)
1958	$ 1,922,789	$ 1,554,727	$ (368,061)
1959	2,119,648	1,659,825	(459,823)
1960	2,308,034	1,976,542	(331,491)
1961	1,560,120	2,051,251	491,131
1962	1,434,220	2,771,015	1,336,795
1963	1,741,543	2,831,655	1,090,112
1964	2,117,304	3,042,449	925,145
1965	2,329,013	3,178,355	849,342
1966	2,441,869	3,382,484	940,615
1967	2,021,375	3,495,728	1,474,353
1968	2,215,075	3,609,855	1,394,780
1969	2,229,250	3,723,100	1,493,850
1970	2,235,075	3,786,338	1,551,263
1971	2,222,000	3,836,000	1,614,000
1972	2,252,875	3,886,000	1,633,125
TOTALS	$31,150,190	$44,785,324	$13,635,134

EXCESS OF REVENUE OVER INTEREST AND RETIREMENT
1958-1972
$13,635,134

*Includes: Bond Interest and Bond Retirements applicable to $25,000,000 1956 Airport Bond Issue, and $9,177,641.25 payment on outstanding 1945 and 1949 Bond obligations.

It is assumed that retirement of principal on 1956 bonds will be at 2½% per year for four years after sale of bonds, and 8.18% for the remaining eleven years.

Excerpts from a report by:

O. Kenneth Pryor
Vice-Chairman, Aviation Section
Public Affairs Department
San Francisco Chamber of Commerce

Mr. Pryor is a partner in the San Francisco office of Price, Waterhouse and Company, Certified Public Accountants. The report from which the following excerpts are drawn was made following a recent survey of airport operations at San Francisco International Airport.

- -

"During 1955 over three million passengers passed through the San Francisco International Airport. This is double the number who used the airport in 1950, only five years ago. In that same period the pounds of freight and air mail handled made a similar gain, and the number of commercial airplane arrivals and departures increased from 82 thousand to 136 thousand, or 372 each day, an average of one every four minutes, day and night. And this does not include 75 thousand movements of corporate, military and other aircraft.

* * * * *

"Within the boundaries of the airport property there are presently over ten thousand people employed with an annual payroll of almost $60 million, excluding city and airport employees. The airport property consists of 3,716 acres. Of these, 1,429 acres are up to grade, 720 acres are land below grade, and 1,251 acres, exclusive principally of the seaplane channel and seaplane harbor, are airport lands under water, i.e., tidelands. It is estimated that the average depth of fill required in the tidelands area is about eighteen feet. There are approximately sixteen million square feet of pavement in the airport area.

* * * * *

"The airlines expect to place jet airplanes in operation early in 1959. These planes will weigh twice as much as the largest passenger planes of today. They will fly at 575 miles per hour as compared with 360 for the fastest passenger planes now in operation. A conservative projection of passenger traffic through the San Francisco airport indicates an increase of 100% during the next four years.

* * * * *

"The critical need for the expansion of our airport facilities is apparent when we realize that the present facilities will not be able to handle the projected traffic after 1957. In fact, if we do not go forward <u>now</u> with the extension of the runways, terminal and related

facilities, we will not be ready for the jets when they come to the rest of the world. We have run out of time. Any delay would be disastrous to the economy and development of San Francisco.

* * * * *

"Fortunately, the City and airport administrations and the aviation industry are aware of the urgency of the situation. It is anticipated that the citizens will be asked to approve in November a bond issue to provide the funds necessary to expand the airport, and I, for one, hope that the plans adopted will be sufficiently bold and broad in scope to assure that San Francisco will maintain its lead in airport facilities.

* * * * *

"In 1955 New York City's International Airport handled 3.6 million passengers. By the end of 1956 that airport will have cost $135 million. On a comparable per passenger basis, San Francisco would have spent $100 million on its airport, whereas in fact it cost less than $50 million. On a combined mail and cargo handled basis the comparison would be equally striking.

* * * * *

"If San Francisco is to meet the challenge of the air age, it must continue the development of its International Airport."

* * * * *

TABLE I

EXISTING AND PROPOSED PHYSICAL FACILITIES
SAN FRANCISCO INTERNATIONAL AIRPORT

	EXISTING	PROPOSED
1. Total Property (Acres)	3,722	4,487
2. Maximum Runway lengths		
East-West (Series) lineal feet	8,870	9,500
North-South (Series) lineal feet	7,750	9,000
3. Scheduled Aircraft Loading Positions	30	62
4. Loading Facilities (Helicopter)	0	8
5. Annual Passenger Capacity	4,000,000	10,000,000 plus
6. Total Annual Mail - Pounds	35,000,000	200,000,000
7. Total Freight & Express - Pounds	60,000,000	300,000,000
8. Corporate Aircraft	80	400
9. Electric Power Distribution (Connected Load)	12,000 KVA	20,000 KVA
10. Water Distribution - Cu. Ft. per Month	22,000	35,000
11. Vehicular Parking	3,000	5,800
12. Number of Air Carriers	12	20
13. Acres Usable Industrial Land	220	360

TABLE II

PROJECTED EXPANSION AND IMPROVEMENTS
SAN FRANCISCO INTERNATIONAL AIRPORT

(See map page 8a for item identifications)

IMPROVEMENTS TO LANDING AREA
ESTIMATED COST - $6,274,000

Item 1. Reconstruct portions of runway pavement to accommodate jet aircraft.

Item 2. Extension of instrument landing runways and main north/south runways for long range jet aircraft operations. Estimated maximum requirement - 9,500 feet; present maximum - 8,870 feet.

Item 3. Construction of high speed taxiway turnouts to facilitate the movement of aircraft.

Item 4. Purchase of 760 acres of land for runway extensions.

IMPROVEMENTS TO AIRCRAFT MAINTENANCE BASE AREAS
ESTIMATED COST - $4,769,000

Item 5. Develop circulation roads including incidental fill, drainage, surfacing and utilities for the development by private industry of aircraft maintenance facilities.

Item 6. Extend taxiways to west field area to facilitate taxiing of aircraft.

Item 7. Preliminary development of maintenance base areas by filling land, providing pavement, sewage pumping plant and utilities to areas available for aircraft maintenance base facilities.

IMPROVEMENTS TO TERMINAL "CITY"
ESTIMATED COST - $12,957,000

Item 8. Construction of Air Cargo facilities and pavement of apron vicinity present cargo terminal to provide for increased volumes of air cargo and additional aircraft loading positions.

Item 9. Purchase of five and five-tenths (5.5) acres of land for terminal area.

Item 10. Additions to terminal building to improve handling of baggage ticketed in City, to develop additional public areas, provide additional air carrier ticket counter, office and baggage space and facilities, install escalators to improve vertical traffic circulation between ground and first floors and install canopy across driveway to protect public from the weather.

Item 11. Complete Concourse B.

Item 12. Provide acoustical ceiling, new flooring, moving sidewalks, alter gate rooms and install escalators in existing Concourses C and D and connecting Concourse B.

Item 13. Construct Concourses E, F and G plus connecting concourses and moving sidewalks.

Item 14. Construct secondary terminal in conjunction with Concourses E, F and G and develop heliport facilities.

Item 15. Construct aircraft loading apron for Concourses F and G.

Item 16. Construct additions to Air Mail Building to accommodate increased volume of mail.

Item 17. Construct roads and additional parking for commercial area located in Terminal "City".

Item 18. Pave parking lot No. 3 for accommodation of 1500 additional vehicles.

Item 19. Construct fire house required at new location Terminal "City".

Item 20. Purchase new fire fighting and other necessary equipment.

IMPROVEMENTS TO EXECUTIVE AIRCRAFT AREA AND MISCELLANEOUS IMPROVEMENTS
ESTIMATED COST - $1,000,000

Item 21. Develop additional aircraft parking areas and reconstruct present pavements.

Item 22. Improvements to air navigation and miscellaneous items.

GRAND TOTAL: $25,000,000

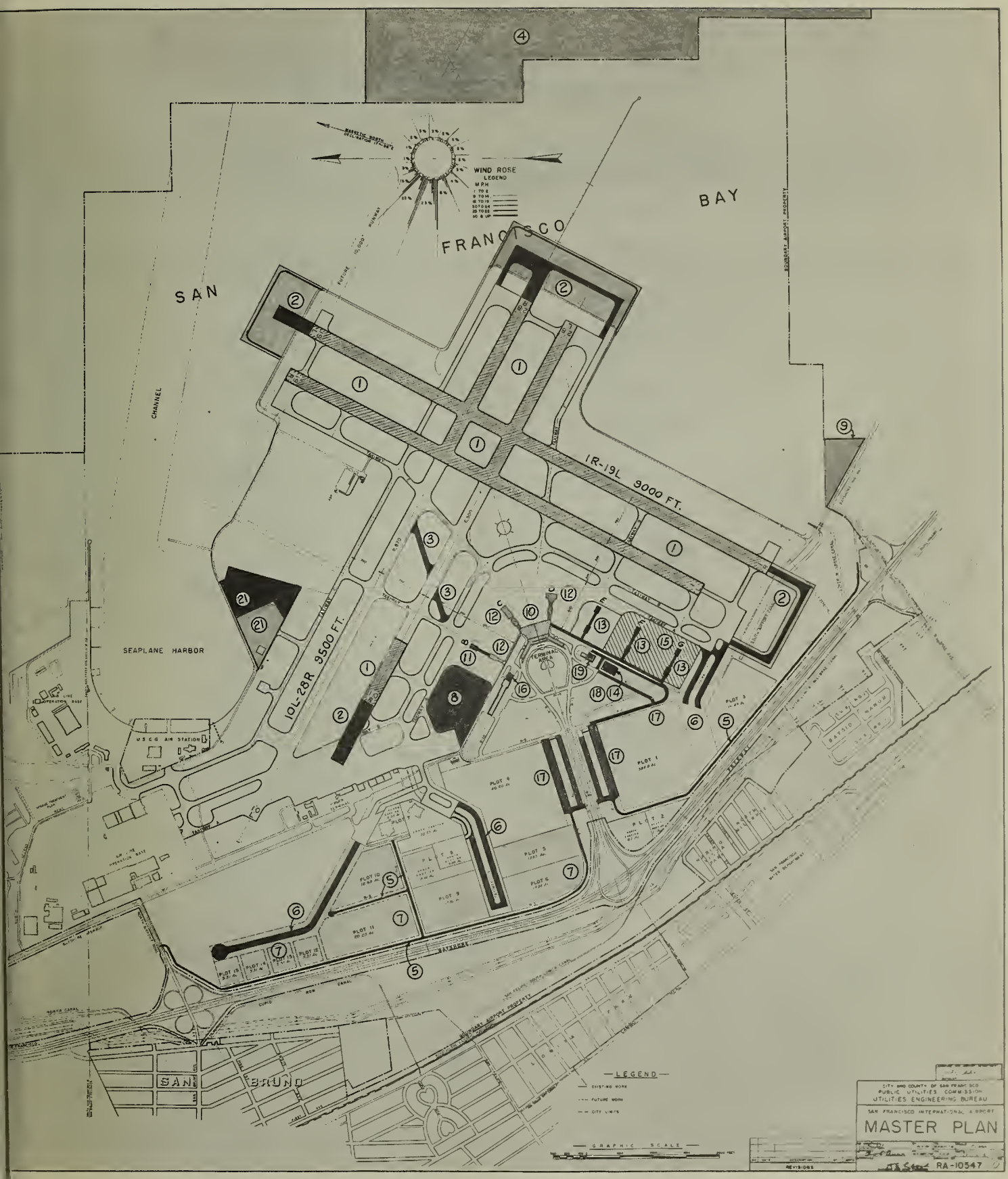
SAN FRANCISCO BAY
WIND ROSE
LEGEND
M.P.H.
1 TO 6
7 TO 14
15 TO 19
20 TO 24
25 TO 33
34 & UP
FUTURE 10,000' RUNWAY
CHANNEL
SEAPLANE HARBOR
U.S.C.G. AIR STATION
10L-28R 9500 FT.
1R-19L 9000 FT.
TERMINAL AREA
PLOT 1
PLOT 2
PLOT 3
PLOT 4
PLOT 5
PLOT 6
PLOT 9
PLOT 10
PLOT 11
PLOT 12
PLOT 13
PLOT 14
PLOT 15
PLOT 16
BAYSIDE
HARBOR
SAN BRUNO
CUPID
BOW
CANAL
TOWER CANAL
BAYSHORE
BOUNDARY AIRPORT PROPERTY
LEGEND
EXISTING WORK
FUTURE WORK
CITY LIMITS
GRAPHIC SCALE
REVISIONS
CITY AND COUNTY OF SAN FRANCISCO
PUBLIC UTILITIES COMMISSION
UTILITIES ENGINEERING BUREAU
SAN FRANCISCO INTERNATIONAL AIRPORT
MASTER PLAN
RA-10547

TABLE III

AIRPORT PASSENGER TRAFFIC STUDY AND PROSPECTUS

SAN FRANCISCO INTERNATIONAL AIRPORT

YEAR	ESTIMATED PASSENGERS
1955	3,085,000
1956	3,550,000
1957	4,015,000
1958	4,480,000
1959	4,945,000
1960	5,440,000
1961	5,905,000
1962	6,370,000
1963	6,835,000
1964	7,300,000
1965	7,765,000
1966	8,230,000
1967	8,695,000
1968	9,160,000
1969	9,625,000
1970	10,090,000

TABLE IV

FINANCIAL PROSPECTUS*
SAN FRANCISCO INTERNATIONAL AIRPORT

	Operating Revenue	Operating Expenses**	Operating Surplus**
1955-56	$ 3,083,507	$ 1,704,062	$ 1,379,445
1956-57	3,156,082	1,836,466	1,319,616
1957-58	3,537,116	1,982,389	1,554,727
1958-59	3,775,339	2,115,514	1,659,825
1959-60	4,262,822	2,286,280	1,976,542
1960-61	4,574,066	2,522,815	2,051,251
1961-62	5,467,021	2,696,006	2,771,015
1962-63	5,726,496	2,894,841	2,831,655
1963-64	6,062,607	3,020,158	3,042,449
1964-65	6,323,224	3,144,869	3,178,355
1965-66	6,648,834	3,266,350	3,382,484
1966-67	6,884,446	3,388,718	3,495,728
1967-68	7,120,059	3,510,204	3,609,855
1968-69	7,355,672	3,632,572	3,723,100
1969-70	7,541,283	3,754,945	3,786,338
15-year period	$81,518,574	$41,756,189	$39,762,385

* Estimates prepared by Airport Department, Public Utilities Commission, City and County of San Francisco

** Exclusive of Depreciation, Bond Interest and Bond Redemption

TABLE V

ANNUAL ANTICIPATED CAPITAL EXPENDITURES
TEN YEAR PROGRAM
SAN FRANCISCO INTERNATIONAL AIRPORT

1957	$ 3,840,000
1958	5,163,000
1959	3,540,000
1960	3,761,000
1961	1,000,000
1962	3,550,000
1963	1,075,000
1964	980,000
1965	631,000
1966	1,460,000
Ten Year Period	$25,000,000

204
8291 3